



SUPPLIER CODE OF CONDUCT

PENNEX[®]



INTRODUCTION

Corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain are of paramount importance to MX Holdings and its affiliates and subsidiaries (collectively, “MX Holdings”). These principles apply to all aspects of MX Holdings’ business, and encompass all manufacturers, distributors, vendors, and other suppliers that supply products to MX Holdings, provide services to MX Holdings, or otherwise do business with MX Holdings (each a “Supplier” and collectively “Suppliers”).

These principles are reflected in this Supplier Code of Conduct (“Code of Conduct”), which establishes the minimum standards that must be met by any Supplier that does business with MX Holdings, regarding:

Supplier’s treatment of workers; workplace safety; the impact of Supplier’s activities on the environment; and Supplier’s ethical business practices.

APPLICABILITY

This Code of Conduct applies to all Suppliers that provide product or services to MX Holdings, or otherwise do business with MX Holdings. By supplying product or services to MX Holdings or otherwise engaging in business with MX Holdings, you agree to comply with this Code of Conduct. Supplier is responsible for compliance with the standards set out in this Code of Conduct (“Standards”) throughout its operations and throughout its entire supply chain. Supplier shall comply with the Standards in: all of its Facilities; and all of its operations, including with respect to manufacturing, distribution, packaging, sales, marketing, product safety and certification, intellectual property, labor, immigration, health, worker safety, and the environment. Supplier is responsible for compliance with the Standards by all of its suppliers, vendors, agents, and subcontractors and their respective Facilities (“Partner(s)”). Supplier shall maintain sufficient visibility into its upstream supply chain to identify material sources and associated risks, including relevant upstream suppliers where reasonably necessary, and shall provide such information to MXH upon request, subject to applicable confidentiality obligations.

HUMAN RIGHTS DUE DILIGENCE

Supplier shall implement and maintain a due diligence process to identify, assess, prevent, mitigate, and remediate risks related to human rights and labor practices within its operations and supply chain.

Supplier shall identify actual and potential risks, prioritize risks based on severity and likelihood, implement appropriate mitigation and control measures, monitor the effectiveness of actions taken, and maintain records demonstrating due diligence activities.

Due diligence activities shall be risk-based and proportionate to the Supplier’s operations, geographic footprint, labor profile, sourcing profile, and supply chain complexity.

LABOR RIGHTS

Supplier shall uphold decent work, respect fundamental human rights, and treat all workers with dignity and respect.

Specifically, Suppliers shall refrain from any illegal labor practices. Supplier shall not itself, nor through any direct or contracted employment or recruitment agencies:

Engage in or support the use of human trafficking.

Require, whether monetary or in-kind, any form of deposit, recruitment fee, costs, charges or equipment advance from workers, or force them to incur any debt. Require migrant workers to lodge deposits or security payments at any time.

Hold workers in debt bondage or force them to work in order to pay off a debt.

Restrict the freedom of movement of workers in the workplace or in on-site housing unless legal, reasonable, necessary, timebound and proportionate. Worker freedom of movement rights include each worker's right to leave the Facilities without retaliation at the end of each workday; based on reasonable health and safety-related justifications; and based on any reasonable circumstances, such as personal or family emergencies.

Retain original copies of workers' identity papers, work permits, travel documents or training certificates.

Deny workers the freedom to terminate their employment at any time without penalty, given notice of reasonable length.

Supplier shall respect the minimum legal age indicated by local legislation and, notwithstanding if local laws permit it, prohibit the employment of any children under the age of 15.

Supplier shall ensure that work for 15 through 18 year olds is not exploitive, hazardous, or interfering with schooling and apprenticeship programs. Hazardous labor involves any work, that by its nature or the circumstances in which the work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken. Hazardous work may include, but is not limited to: work underground, under water, at dangerous heights, or in confined spaces; work with dangerous machinery, equipment and tools; work in an unhealthy environment that would expose workers to hazardous substances, agents or processes, or to temperatures, noise levels or vibrations damaging to health; and work for long hours or during the night.

Supplier shall implement and maintain a reliable system to verify the eligibility of all workers, including age eligibility and legal status of foreign workers, and a reliable recordkeeping system regarding the eligibility of all workers.

COMPENSATION AND BENEFITS

Supplier must respect the rights of workers to a living wage and ensure that wages paid for a normal working week shall always meet at least a legal or industry minimum standard and shall be sufficient to meet the basic needs of workers.

Supplier shall make wage payments that are timely, in legal currency and full documented.

Supplier's obligation to compensate and provide benefits applies to all workers at all times, including during periods of training, apprenticeship, and probation.

Supplier shall provide proof of payment to workers in the workers' native language showing hours worked, wage amounts and rates (regular, overtime, and bonus), and deductions. Supplier shall ensure that proof of payment is accurate, is clearly calculated, and enables workers to quickly verify the amount of payment and method of calculation. Proper documentation of wage payments shall be maintained for Supplier's internal records and any necessary audits.

Supplier shall not make any deductions from wages, except income tax withholding and those that are legally allowed.

WORK HOURS

The wages and benefits offered to your employees must, at a minimum, meet or exceed all applicable legal requirements and standards. MX Holdings expects its Suppliers to comply with applicable laws and industry standards and collective agreements on working hours, overtime, maximum hour rules, rest periods, public holidays, and annual paid leave, in the country in which the work is being performed.

Suppliers shall ensure that workers have, at minimum, an average of one day off per seven-day period and that the workday does not exceed 8 hours on average over a six-month period.

Supplier shall use an industry-accepted time-keeping system to track worker work hours and develop work-hour policies to ensure compliance with this Code of Conduct and applicable law.

NO DISCRIMINATION, ABUSE, OR HARRASSMENT

Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religion, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job.

Supplier shall treat workers with respect and dignity.

Supplier shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment.

HEALTH AND SAFETY

Supplier shall provide a safe, healthy, and sanitary working environment. Supplier shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in these Standards. General and industry-specific procedures and safeguards include those relating to: health and safety inspections; equipment maintenance; maintenance of Facilities; worker training covering the hazards typically encountered in their scope of work; fire prevention; and documentation and recordkeeping.

Supplier shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

With regard to all of Supplier's facilities where products destined for MX Holdings are handled or services for MX Holdings are provided, including dormitories in the event Supplier provides such for its workers, Supplier shall:

Ensure that all Facilities meet all applicable building codes and industry standards;

Obtain and maintain all construction, zoning and use permits required by law;

Provide adequate evacuation plans and clearly marked emergency exits;

Display evacuation maps in the local language;

Maintain proper ventilation, lighting, first aid kits, fire safety systems, potable water, and private toilets;

Post safety rules, inspection results, incident reports, and permits as required by law.

If Supplier provides dining facilities for its workers, it shall provide safe, healthy, and sanitary facilities (including food preparation and storage areas) that comply with all local regulations and standards. Supplier shall obtain and maintain all food preparation permits and health certificates required by law.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Supplier shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining. The decision whether to join a Labor Union or other association shall be made solely by the worker.

Supplier shall respect that Labor Unions or other associations have the right to:

Develop their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities and to formulate their programs to the extent possible under applicable law.

Organise.

Within the bounds of Applicable Law, collectively bargain on behalf of the workers.

Without limiting Supplier's obligations set out above, Supplier shall not:

take any action to prevent or suppress the workers' exercise of freedom of association or collective bargaining rights;

Discriminate or retaliate against, or discipline or punish, any worker who supports or exercises freedom of association or collective bargaining rights;

Discriminate or retaliate against, or discipline or punish, any worker who raises collective bargaining compliance issues; or

Discriminate or retaliate against, or discipline or punish, any worker based on union membership or the worker's decision to join or not join a union.

Supplier shall respect the rights of workers to collective bargaining, participate in any collective bargaining process in good faith, and adhere to collective bargaining agreements where such agreements exist.

SUSTAINABILITY AND ENVIRONMENTAL PERFORMANCE

Supplier shall comply with all applicable environmental laws and maintain appropriate environmental management systems (EMS) suitable to the size and nature of its operations.

Supplier sustainability expectations shall be applied on a risk-based and impact-based basis:

- All Suppliers: Shall comply with applicable environmental laws and maintain documented environmental management practices and controls appropriate to their operations.
- Material / High-Impact Suppliers: Shall, upon request, provide data relating to environmental performance, including energy consumption, greenhouse gas (GHG) emissions, water usage, and waste management, and shall implement reasonable measures to reduce environmental impact.
- Higher-Risk Suppliers: Shall establish environmental performance targets, monitor progress, and provide periodic reporting to MXH regarding implementation of reduction initiatives and environmental performance outcomes.

MXH recognizes that expectations will be proportionate to supplier size, resources, and operational complexity and may evolve over time.

Supplier shall respect the rights and wellbeing of the local communities, both ecological and social, affected by their operations.

ENVIRONMENTAL PROTECTION

OPERATION OF SUPPLIER'S FACILITIES

Suppliers shall conduct their business such that it is in compliance with all applicable environmental laws and regulators, including laws and international treaties relating to waste disposal; emissions; discharges; and hazardous and toxic material handling. Supplier is expected to promote the protection of the environment and the conservations of natural resources.

Supplier shall maintain policies and management systems to identify, prevent, mitigate and account for impacts on the environment in their own operations and their supply base. This could include, but is not limited to:

Avoiding pollution and actively working to prevent or mitigate accidental spills;

Managing and controlling air and wastewater emissions;

Managing all chemicals and hazardous materials in an environmentally protective way and according to applicable laws, including identification, labeling, handling, transportation, storage and disposal;

Implementing programs to manage and control air and wastewater emissions, ensuring compliance and protection of human and environmental health; or,

Safely managing and striving to reduce waste, from generation through collection, storage, transportation and disposal.

INPUTS AND COMPONENTS

Supplier must ensure that the goods that it manufactures (including the inputs and components that it incorporates into its goods) comply with all environmental laws and treaties. Supplier must ensure that it will only use packaging materials that comply with all environmental laws and treaties.

With regard to minerals from conflict zones, Suppliers specifically agree not to source (directly or through subcontractors) minerals from conflict or high-risk areas and to put in place controls to monitor the origin of the minerals purchased.

Supplier shall implement a risk-based due diligence process for sourcing of raw materials and components, including identification of sourcing from conflict-affected or high-risk regions, evaluation of geographic and supply chain risks, maintenance of controls to monitor material origins, and reasonable steps to avoid contributing to human rights abuses, conflict financing, or unlawful practices.

SUPPLIER RISK ASSESSMENT

Supplier acknowledges that MXH applies a risk-based approach to supplier management. Suppliers may be required to complete sustainability, responsible sourcing, human rights, environmental, traceability, or other risk assessment questionnaires; provide supporting policies, certifications, disclosures, and records; and participate in supplier classification, screening, evaluation, monitoring, or corrective action processes.

Suppliers identified as higher risk may be subject to additional due diligence, enhanced monitoring, facility assessments, remediation requirements, or corrective action plans, as determined by MXH in its discretion.

Supplier classification may be informed by high-level risk indicators, including geography, supplied materials or services, supply chain position, certifications, spend or operational criticality, transparency, and other relevant conditions. Suppliers classified as higher risk, including suppliers associated with conflict-affected or high-risk areas, may be subject to enhanced due diligence, mitigation planning, management review, ongoing monitoring, and reassessment.

BUSINESS ETHICS

Suppliers shall fully comply with all anti-corruption laws. MX Holdings maintains a strict, zero-tolerance policy for bribery. No Supplier shall offer payments to any person, and in particular, any government official, political figure, officer, or any person having access to or influence to such person, to induce that person, official, figure, or officer to affect any act or decision in a manner involving the business or products of MX Holdings.

MANAGEMENT SYSTEMS

Supplier shall establish and maintain management systems appropriate to the size and nature of its operations to ensure compliance with this Code, including policies and procedures, defined roles and responsibilities, training and awareness programs, escalation and reporting processes, internal monitoring, corrective action processes, and continuous improvement practices.

DOCUMENTATION AND RECORDKEEPING

Supplier shall maintain records sufficient to demonstrate compliance with this Code, including policies and procedures, training records, risk assessments, supply chain information, certifications, audit results, investigations, remediation efforts, and corrective action documentation, and shall retain and provide such records to MXH upon reasonable request, subject to applicable confidentiality obligations.

Supplier acknowledges that documentation provided may be used by MXH to support internal or external validation and reporting of responsible sourcing practices, including alignment with internationally recognized due diligence frameworks such as the OECD Due Diligence Guidance.

Supplier shall, upon reasonable request, provide periodic updates or supporting information necessary for MXH to evaluate supplier performance, risk management, and corrective action implementation.

TRACEABILITY AND MATERIAL SOURCING

Supplier shall establish processes to identify and maintain records regarding the origin of materials supplied to MXH, including upstream sources where reasonably available. Supplier shall maintain records of material inputs and sources, support traceability to country of origin where available, and provide such information to MXH upon request. Supplier acknowledges that expectations related to transparency may evolve over time and shall support reasonable enhancements to transparency and traceability requirements.

REPORT VIOLATIONS

Supplier shall self-report any violations of this Supplier Code of Conduct via the Company Ethics Portal (Syntrio), which is available 24 hours a day, seven days a week, or MX Holding's Director of Environmental Health & Safety. Supplier can also submit questions and comments regarding this Code to MX Holding's Director of Environmental Health & Safety.

Suppliers and other stakeholders may report a grievance related to this Code of Conduct or the Responsible Sourcing Policy through the Pennex Sustainability webpage: <https://www.pennex.com/how-we-work/sustainability>. This channel is intended to be accessible, confidential, and non-retaliatory.

SYNTRIO ETHICS PORTAL

Via Telephone:

- English, US & Canada: 844-630-0007
- Spanish, US & Canada: 800-216-1288
- Other Languages, US & Canada: 844-301-0005
- English & German, International: 800 31 26 4000

Via the Internet: Submit Online: <https://report.syntrio.com/mxholdings>

E-mail: standard-reports@mitratech.com (must include company name with report)

Fax: (215) 689-3885 (must include company name with report)

MX Holdings

Director of Environmental Health & Safety

1 Commerce Ave

Leetonia, OH 44431

canderson@pennex.com

Supplier shall maintain accessible and effective grievance mechanisms that allow workers and stakeholders to raise concerns without retaliation, provide for documented investigation and resolution, and support remediation where appropriate.

The Company's grievance and reporting mechanisms are supported by cross-functional ownership, including Human Resources, Legal, and Environmental Health and Safety.

Supplier-related concerns involving labor practices, human rights, or workplace conduct may be escalated through Human Resources-supported grievance processes, where applicable.

Suppliers are expected to maintain comparable grievance mechanisms within their own operations that align with internationally recognized principles, including accessibility, confidentiality, non-retaliation, and documented investigation and resolution.

Supplier shall not retaliate or take disciplinary action against any worker who has, in good faith, reported violations or questionable behavior, or who has sought advice regarding this Code of Conduct.

COMPLIANCE WITH LAWS

Supplier shall comply with all applicable national and local laws and regulations, including laws and regulations relating to all the Standards. Where this Code of Conduct requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards. Supplier acknowledges that these Standards set out audit standards that MX Holdings may use to determine whether Supplier is meeting the requirements set out in this Code of Conduct.

Supplier acknowledges that MX Holdings may in its discretion conduct inspections of the Supplier's records and facilities, on its own or through third parties, to confirm Supplier's compliance with this Code of Conduct. MX Holdings has no obligation to conduct inspections.

MONITORING AND ENFORCEMENT

In the event that MX Holdings learns of Supplier's non-compliance with this Code, MX Holdings may dictate immediate corrective action to be taken by the Supplier in order to achieve compliance with this Code. Additionally, depending on the severity of the non-compliance and Supplier's willingness or unwillingness to take corrective action, MX Holdings may immediately terminate its business relationship (including any purchase order(s) and purchase contracts) with Supplier or its Partners.

Corrective actions required by MXH shall be documented, time-bound, and subject to verification, follow-up, and closure to the extent determined appropriate by MXH.